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(D. J. Werner)

David J. Werner

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FDIC - San Francisco Regional Office
Regional Director John F. Carter
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

Dear Mr. Carter:

I'm writing to ask your support in keeping Wal-Mart out of banking.

You may be aware that there is an effort underway to expand the powers of the Industrial Loan Companies (ILCs). ILCs are exempt from the Bank Holding Company Act and their deposits are FDIC insured.

In my opinion that does not present a fair and competitive situation with commercial banks in our country because:

- Any commercial business can own an ILC. If the financial condition of Wal-Mart or any other company owning and ILC becomes severe, that could affect the financial condition of the ILC itself. We need equal oversight to companies owned ILCs or banks.
- ILCs are exempt from CRA (Community Reinvestment Act) compliance. Not only is the CRA costly for U.S. banks to comply with, CRA activities provide a focused services to low/moderate income folks in our country.
- Wal-Mart's deposit activities drain deposits/funds from the local economy. Community Banks reinvest deposits in their communities across America.

Please look into this situation. We need fair competition in America.

Sincerely


David J. Werner